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ABSTRACT

The Children's Online Privacy Protection Act (COPPA) went into effect on April 21, 2000. The first Federal online privacy law, COPPA regulates the collection, use, and disclosure by commercial Web sites and online services of personally identifiable information from children under age 13. To mark the first anniversary of COPPA's implementation, a quantitative systematic evaluation was conducted of 153 commercial Web sites directed at children under age 13 to determine if they were complying properly with the letter and spirit of COPPA and following the guidelines outlined in the Federal Trade Commission's Children's Online Privacy Protection Act Rule. Several basic questions guided the survey: What has been the impact of COPPA during its first year? Is industry changing its practices in response to COPPA? Are there any common factors affecting noncompliance with COPPA? How might COPPA compliance be more effective? The survey was conducted with a standard questionnaire that measured compliance with the provisions of the FTC's COPPA Rule. It looked at the parental notification and consent methods commercial Web sites use when gathering personally identifiable information from children. The survey found that COPPA has brought about significant changes in Web sites' business practices in data collection. A number of promising creative approaches illustrated how companies can adapt to the rules without undermining the interactive personalized features of the Internet. Commercial Web sites can still provide customized experiences for children and learn more about their audience, without compromising children's privacy. Despite these positive changes, the survey also found the industry is clearly not doing all it can to comply with the new privacy provisions, and in some cases, may be violating both the spirit and letter of the law. Recommendations address the need for more education about the law and acceptable business practices. Overall, children's Web sites should continue to be monitored for compliance with COPPA and for any new developments in marketing and advertising practices. (AEF)

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ED 456 833

COPPA

The First Year
A Survey of Sites

A Report on Web Site Compliance

IR020979

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COPPA

The First Year
A Survey of Sites

Children's Online Privacy
Protection Act

CENTER
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EDUCATION

A Report on
Web Site
Compliance

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The Center for Media Education (CME) is a national nonprofit, nonpartisan organization dedicated to creating a quality electronic media culture for children, their families, and the community. CME's report "The Web of Deception" (1996) first drew attention to potentially harmful marketing and data collection practices targeted at children on the Internet and laid the groundwork for the Children's Online Privacy Protection Act (COPPA).

Executive Summary

The Children's Online Privacy Protection Act (COPPA), passed by Congress in 1998, went into effect on April 21, 2000. The first Federal online privacy law, COPPA regulates the collection, use and disclosure by commercial Web sites and online services of personally identifiable information from children under age 13.

Reports by the Center for Media Education (CME) in 1996[1] and the Federal Trade Commission (FTC) in 1998[2] documenting marketing and data collection practices targeted at children on the Internet laid the groundwork for COPPA. Following these reports, Congress determined that there was a clear need to provide rules to guide the development of the emerging commercial online environment in relation to children.

After the law was passed, the FTC developed the Children's Online Privacy Protection Act Rule to implement COPPA. The Rule went into effect on April 21, 2000. The FTC oversees compliance with COPPA and is responsible for its enforcement.

To mark the first anniversary of COPPA's implementation, CME conducted a quantitative systematic examination of 153 commercial Web sites directed at children under age 13 to determine if they were complying properly with the letter and spirit of COPPA and following the guidelines outlined in the FTC's Rule.[3] While other studies have focused on individual provisions of COPPA, CME is the first to look at the broader scope of COPPA compliance - how data is collected and sites' adherence to prior parental consent and parental notice. CME's survey duplicated three questions from the FTC's 1998 study, "Privacy Online: A Report to Congress," to compare current data collection practices with those used prior to implementation of the COPPA Rule.

Several basic questions guided CME's survey:

- What has been the impact of COPPA during its first year?
- Is industry changing its practices in response to COPPA?
- Are there any common factors affecting noncompliance with COPPA?
- How might COPPA compliance be more effective?

The sites were a combination of the current top kids' sites and those used by the FTC for its 1998 study "Privacy Online: A Report to Congress." The CME survey was conducted with a standard survey questionnaire that measured compliance with the provisions of the FTC's COPPA Rule.[4] It looked at the parental notification and consent methods commercial Web sites use when gathering personally identifiable information from children.

CME found that COPPA has brought about significant changes in Web sites' business practices in data collection. A number of promising creative approaches illustrated how companies can adapt to the rules without undermining the interactive personalized features of the Internet. Commercial Web sites can still provide customized experiences for children and learn more about their audience, without compromising children's privacy.

Despite these positive changes, however, CME's survey also found the industry is clearly not doing all it can to comply with the new privacy provisions, and in some cases, may be violating both the spirit and letter of the law.

Research Findings

CME's survey of children's commercial Web sites found a number of general trends, some new industry practices and areas that require closer examination.

1. Children's commercial Web sites have modified their data collection practices and limited the amount of data being collected.

2. More children's commercial Web sites that collect personally identifiable information are posting privacy policy notices informing parents of what they are collecting and how that information is being used.

3. A handful of Web sites have developed creative solutions to adapt to COPPA and allow children to interact without divulging personally identifiable information (such as name and e-mail address).

4. A majority of sites do not have a "clear and prominent" link to privacy policies. In many cases, simple adjustments would bring them into compliance with the FTC's COPPA guidelines.

5. Children's commercial Web sites that have a link for feedback (such as e-mail) often overlook this as a data collection point.

6. Despite the positive changes in data collection practices that CME was able to identify, a majority of sites did not obtain prior parental consent or provide parental notice as required by the COPPA Rule.

7. In attempting to restrict children under 13 from entering personally identifiable information, some Web sites use methods that could encourage age falsification.

Recommendations

CME's recommendations address the need for more education about the law and acceptable business practices. Overall, children's Web sites should continue to be monitored for compliance with COPPA and also for any new developments in marketing and advertising practices.

For Web Site Operators

1. Web site operators need to continue to limit the types of data collected from children. CME has noted creative ways, such as the anonymous registration model, in which some Web sites are providing children with customized content without requiring them to disclose personally identifiable information.

2. So that children can take advantage of the many rich resources offered on the Web, more Web sites should offer activities that do not require personally identifiable information for participation.

3. Web sites should carefully review their privacy policies and data collection practices. Our survey found many compliance errors that could be easily remedied. The FTC's "Kidz Privacy" site (www.ftc.gov/kidzprivacy) provides COPPA Rule guidelines and a "Frequently Asked Questions" section for guidance.

4. Web sites that receive a high level of visits from children and ask for personally identifiable information (for instance, when registering with the site) need to examine their age screening practices to prevent children from falsifying their age.

For Policymakers

1. The FTC needs to monitor Web sites and take enforcement actions against those that are not complying with the COPPA Rule. In addition, the agency should conduct ongoing reviews of COPPA to ensure that any loopholes are closed.

2. The FTC provides commendable public outreach programs, such as workshops, educational materials and the "Kidz Privacy" site. However, there is more it can do to help simplify and clarify COPPA compliance provisions. For example, a comprehensive guide for the COPPA Rule, including a checklist of what information privacy policies should contain, would help Web operators determine more easily the specific actions they need to take.

3. The FTC should address and clarify the noncompliance shortcomings we found in our survey by providing further public education, including specific examples and official policy statements.

4. The FTC should investigate how children's privacy may be at risk due to the increasing rate of computer security violations that compromise the integrity and confidentiality of data on children. If a site's security is violated (or hacked into), the site may unwittingly disclose information once collected on child users. The FTC could explore the potential benefits of revising provisions on confidentiality, security and integrity of data in the COPPA Rule to address this concern.[5]

5. As teachers have the responsibility of acting as guardians when students go online, the Department of Education should do more to promote awareness of students' online privacy concerns and protections. At the very least, it should link from the its technology section (www.ed.gov/Technology)[6] to the FTC's "Kidz Privacy" (www.ftc.gov/kidzprivacy)[7] page.

For Future Research

1. While comprehensive, CME's study did not cover several aspects of COPPA that should be evaluated through future research:

- Restricting a site from conditioning a child's participation in an activity on the child disclosing "more personally identifiable information than is reasonably necessary."
- Establishing and maintaining confidentiality and security of personal data.
- Monitoring chat rooms for COPPA compliance.
- Examining methods for parents to access and review the personal data collected from a child and refuse to permit its further use or maintenance.[8]

2. A number of organizations have developed public education materials (CME's www.KidsPrivacy.org[9] and the FTC's www.ftc.gov/kidzprivacy,[10] among others). A review of available resources could determine what additional materials would help increase public awareness of COPPA.

3. New studies should look at how parents and teachers, the ones with the most responsibility for guiding children online, understand and interact with COPPA provisions, such as privacy notices and consent forms. This could guide the development of additional public education materials.

4. Further areas for children's online privacy research also include:

- Examining how children's Web sites use cookies, Web bugs or other methods to passively gather data about users and their interactions with sites.

- Looking at how affiliated partners or third parties, such as advertisers, gain information about children through cookies, Web bugs, polls or other methods.
- Assessing COPPA's impact in Web site chat rooms.
- Evaluating Web sites' methods of providing parents access to the personal data collected from a child and the ability to review it and have it deleted.
- Evaluating how COPPA affects bankruptcy proceedings for Web sites and online services, since the databases of information they have gathered from users are a significant asset that could be sold, in contradiction with previous agreements. The proposed sale of Toysmart.com's customer databases during the site's bankruptcy proceedings highlights this controversy.[11]

[1] Center for Media Education, The Web of Deception (Washington, DC: author, March 1996).
[2] Federal Trade Commission, Privacy Online: A Report to Congress (Washington, DC: author, June 1998).
[3] COPPA does not cover nonprofits.
[4] Further information on the survey methodology is in Appendix I: Methodology.
[5] Georgetown University Law School's Institute for Public Representation, Analysis of COPPA Confidentiality Regulations vis-a-vis Computer Security, memo to author, 29 March 2001.
[6] April 9, 2001.
[7] April 9, 2001.
[8] CME did look at privacy policy to see if they provided parental review methods, but did not test them. (See Appendix II: Results.)
[9] April 12, 2001.
[10] April 12, 2001.
[11] "Toysmart.com Withdraws List of Customer Data from Auction," Wall Street Journal Interactive 27 July, 2000. http://interactive.wsj.com/archive/retrieve.cgi?id=SB964671604737356101.djm [2001, April 16].

Introduction

As more and more children began exploring the World Wide Web, concern over the collection of personally identifying data from them led to passage of the Children's Online Privacy Protection Act (COPPA). Signed into law on October 21, 1998, COPPA was the first Federal online privacy law. COPPA regulates the collection, use and disclosure of personally identifiable information from children under age 13.

To implement COPPA, the Federal Trade Commission (FTC) developed the COPPA Rule. The Rule went into effect on April 21, 2000. The FTC oversees compliance with COPPA and is responsible for its enforcement.

To mark the first anniversary of COPPA's implementation, the Center for Media Education (CME) surveyed commercial Web sites directed at children under age 13 to see if they were complying properly with the letter and spirit of COPPA and following the guidelines outlined in the FTC's Rule.

Several basic questions guided CME's survey:

- What has been the impact of COPPA during its first year?
- Is industry changing its practices in response to COPPA?
- Are there any common factors affecting noncompliance with COPPA?
- How might COPPA compliance be more effective?

COPPA History

In 1996, CME's report, "The Web of Deception," first drew attention to potentially harmful marketing and data-collection practices targeted at children on the Internet.[1] The report documented Web site operators gathering personally identifiable information from children under the age of 13, including e-mail addresses, home addresses and telephone numbers, and information about their parents.

On June 4, 1998, the FTC issued a formal report, "Privacy Online: A Report to Congress."

The FTC report found that:

- 89% of the children's sites surveyed collected personally identifiable information from children
- 46% of the sites did not disclose their information collection practices
- Less than 10% provided for some parental control over the collection of information from their children[2]

These two reports laid the groundwork for COPPA.

Key COPPA Provisions

Under COPPA, commercial Web sites and online services that are either targeting or knowingly collecting data from children under 13 must comply with the following guidelines:

- Personally identifiable information cannot be collected on the Web site from children under age 13 without permission from a parent or legal guardian.
- Parents have the right to know what personally identifiable information their children are being asked for and how it is to be used.
- Parents have the right to:
  - review the personally identifiable information collected from their child,
  - determine what third parties it can be given to, and
  - request to have the information deleted.

- Children cannot be required to give out more information than is reasonably necessary to participate in Web site activities such as contests and games.
- Permission from parents and guardians, in most instances, must be verifiable—for example, by a signed authorization form mailed or faxed back to the Web site, or a phone call to a toll-free number.
- Web sites and online services must prominently post a clear privacy policy describing what personally identifiable information they collect from children, how it is to be used, and if it is given to third parties.
- Exceptions to requiring prior parental permission include:
  - Collecting a child's e-mail address for one-time requests such as homework help
  - Entering a child into a contest or sending an online newsletter, as long as the parent is notified and can prevent further use of the information
  - Posting in a monitored chat room if all individually identifiable information is omitted before it is made public and the information is later deleted from the operator's records
  - Protecting the safety of the child or the site

CME Survey Methodology

To assess the impact of COPPA since it went into effect on April 21, 2000, CME surveyed 153 commercial Web sites directed at children under age 13.[3] The sites are a combination of the current top kids' sites and those used by the FTC for its 1998 study, "Privacy Online: A Report to Congress."

CME conducted a quantitative systematic examination using a standard survey questionnaire that measured compliance with provisions of the FTC's COPPA Rule.[4] It looked at the parental notification and consent methods commercial Web sites use when gathering personally identifiable information from children.

CME also reviewed data collection practices pre- and post- COPPA by comparing the survey results to those the FTC reported in 1998.[5] Three questions were duplicated from the FTC's 1998 study, "Privacy Online: A Report to Congress":

- "Does the site collect any personal information?"
- "If yes, which of the following [data] does the site collect?"
- "Is a Privacy Policy Notice posted on this site?"[6]

In addition to reviewing COPPA's impact during its first year, CME anticipates that this survey will be used to:

- increase public awareness of children's online privacy, and
- help inform the dialogue between Web site operators, policymakers and parents.

[1] Center for Media Education, The Web of Deception (Washington, DC: author, March 1996).
[2] Federal Trade Commission, Privacy Online: A Report to Congress (Washington, DC: author, June 1998).
[3] COPPA does not cover nonprofits.
[4] Further information on the survey methodology is in Appendix I.
[5] It should be noted that since the FTC's study was conducted before any guidelines were written to specify how to comply with COPPA (or before the law was even passed), it was not possible to compare adherence to specific provisions of the COPPA Rule, such as those which dictate proper procedures for notifying parents of data collection practices or obtaining parental consent. Furthermore, because sites were launched or went out of business since the FTC conducted their review in 1998, it was not possible to exactly replicate the FTC's sample when comparing their findings. This slight discrepancy in samples did not preclude CME from identifying, measuring and comparing the general trends of data collection on the Internet.
[6] Questions 1-18 from "Children's Web Site Survey Form," in: Federal Trade Commission, Privacy Online: A Report to Congress (Washington, DC: author, June 1998).

Findings

In reviewing the results of the surveyed 153 commercial children's sites, CME noted the Children's Online Privacy Protection Act's (COPPA) impact upon children's commercial Web sites, as well as a number of prominent trends, some new industry practices and examples of online data collection practices which may require closer examination.

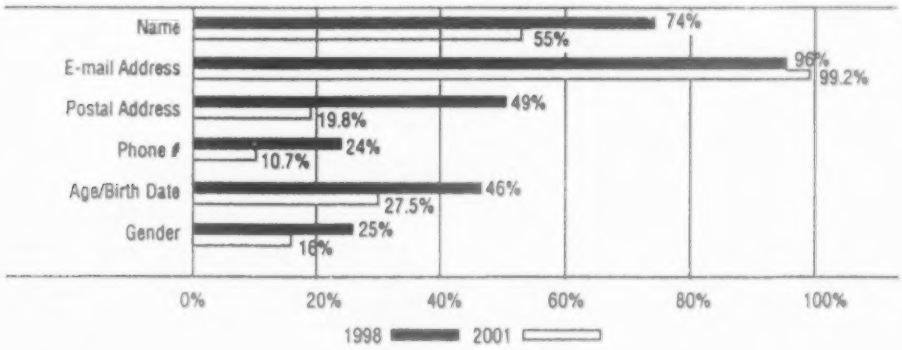
1. Children's commercial Web sites have modified their data collection practices and limited the amount of data being collected.

The overall collection of personally identifiable information has, for the most part, remained relatively static: 85.6% since COPPA took effect, as compared to 89% in 1998.[1]

However, the type of data being collected has changed. This is especially evident when comparing how many sites collected a home postal address from children in 1998 versus 2001 (49% to 19.8%), a substantial decrease.

In 1996, before the law was passed, CME found many sites that required children to disclose a multitude of information including home address as a prerequisite to engage in the interactive features offered.[2] By legislating COPPA, Congress aimed to restrict this kind of rampant collection of extraneous information. CME's 2001 survey suggests that children's sites may, in fact, have modified their practices and are limiting the amount and type of information being collected as a direct result of COPPA.

Types of Personal Information Collected from Children

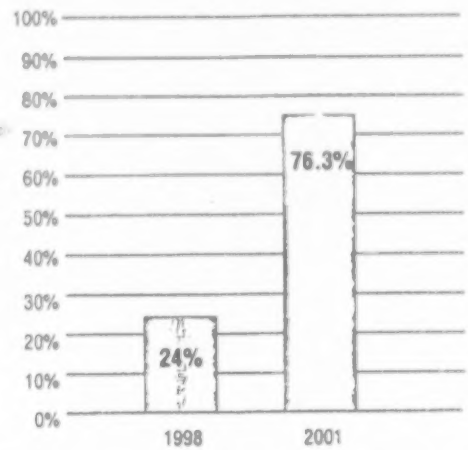


From CME's survey findings, it appears that the majority of sites that collect information from children limit their collection in order to take advantage of a key exemption provision of the COPPA Rule. According to the Federal Trade Commission (FTC) guidelines, sites that limit a data collection instance to an e-mail address to contact the user one time or obtain parental consent are exempt from consent and notice.[3] Of the 202 data collection instances CME found on the 131 sites that collected data from children, 121 instances qualified for an exemption from parental consent and notice.

2. More children's commercial Web sites that collect personally identifiable information are posting privacy policy notices informing parents of what they are collecting and how that information is being used.

The number of commercial children's Web sites that post a privacy policy to explain their data collection practices has increased three-fold. One hundred of the 131 sites (76.3%) that collected personally identifiable information from children posted a privacy policy in 2001. This is a substantial increase from 1998, before COPPA was passed, when the FTC found less than a quarter of children's sites that collected data also posted a privacy policy.

Of those Web Sites that Collect Personally Identifiable Information from Children: Percent with a Privacy Policy Notice



3. A handful of Web sites have developed creative solutions to adapt to COPPA and allow children to interact without divulging personally identifiable information (such as name and e-mail address).

To allow children to have a customized identity on a Web site without giving out identifying information, CME found four Web sites (out of 131 that collected data) that came up with new, creative approaches that used anonymous registration procedures. Anonymous registration allows users to log in under pseudonyms identifying them by nonpersonal information only. Nonpersonal information is defined by the FTC as: "First name only, without other identifying information; a screen name that is not tied to an e-mail address or other identifying information; gender, hobby, or preference information that is not tied to an e-mail address or other identifying information."[4]

These examples suggest that implementation of COPPA has spurred the development of business practices that may not have existed prior to the law. For example, in CME's 1996 report, "The Web of Deception," a large number of sites routinely required children to provide an assortment of personally identifiable information to participate in Web site activities. According to the report, "[d]isclosures of personally identifiable information often is mandatory when a child wants to play a game, join a club, or enter a contest. Other Web sites require children to complete registration forms and questionnaires in order to proceed into the site."[5] Mandatory detailed questionnaires and registration forms often served as gatekeepers to full interaction with the sites' games, clubs and other content.

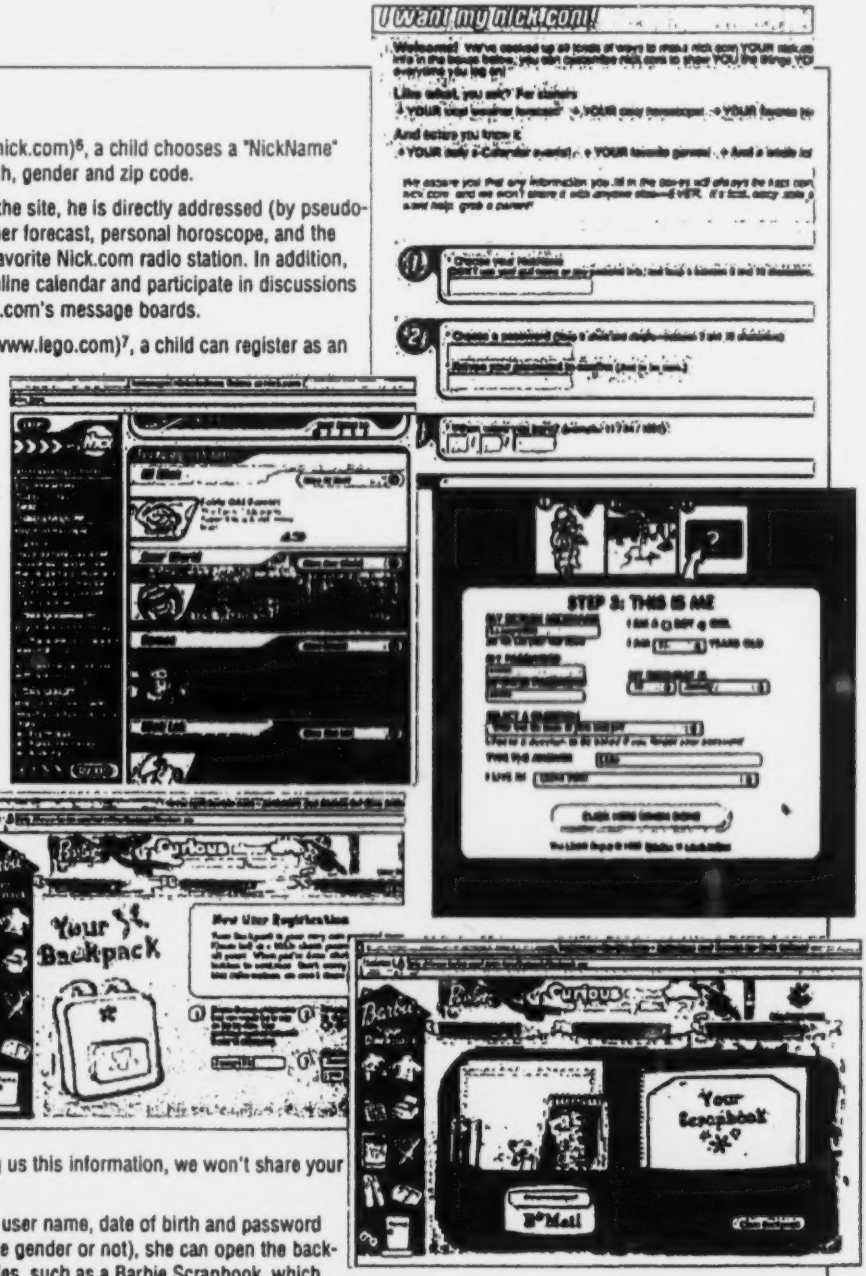
Anonymous registration enables children to interact with sites in a one-to-one fashion, while still not being personally identified. It also permits Web site operators to compile aggregate market research data without compromising children's online privacy.

Anonymous Registration

To register with Nick.com (www.nick.com)[6], a child chooses a "NickName" and password, then enters date of birth, gender and zip code.

The next time the child logs into the site, he is directly addressed (by pseudonym) and greeted with the local weather forecast, personal horoscope, and the option of tuning into a stream of his favorite Nick.com radio station. In addition, the child can access and update an online calendar and participate in discussions with other registered children via Nick.com's message boards.

Similarly, on the Lego.com site (www.lego.com)[7], a child can register as an anonymous user by creating a screen name and password, so that the site can identify the child upon return visits without having to collect detailed personally identifiable information. The only other information that is collected is the child's birthday, age, gender, country of origin and the answer to a pre-formed question, in case of forgotten password. (This information is not considered personally identifiable because it can not be used to track the identity of the child.) The child can even select a Lego "mascot" character and accompanying background scene to represent herself when she next logs in.



Barbie.com (www.barbie.com)[8] engages the child in a one-to-one manner by having her register anonymously by clicking on an image of a backpack on the homepage which transports her to a section titled, 'Your Backpack.' When registering, the site advises the child: "Your Backpack is your very own personal space! Please tell us a little about yourself so it can be all yours...Don't worry about giving us this information, we won't share your answers."

Once the child has submitted her user name, date of birth and password (with the option of choosing to indicate gender or not), she can open the backpack and discover personalized activities, such as a Barbie Scrapbook, which she can customize by choosing décor, sounds and words and then fill with 'Barbie Pix,' custom-made cards designed by the child from a library of pre-selected images and text, which the child can save in her Scrapbook, or print.

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4. A majority of sites do not have a "clear and prominent" link to privacy policies. In many cases, simple adjustments would bring them into compliance with the FTC's COPPA guidelines.

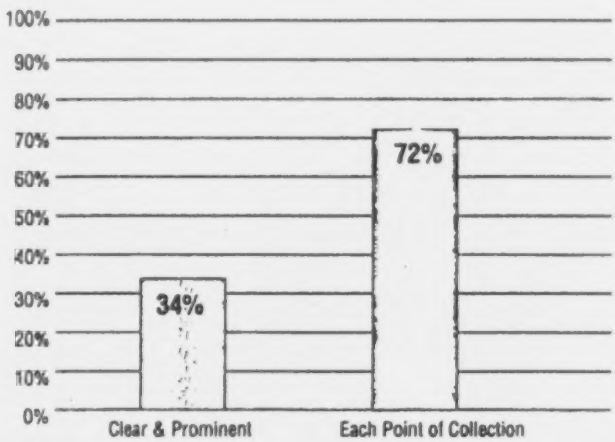
Correctly displaying links to a privacy policy is a common failure of the Web sites surveyed by CME. This echoes the findings of a study recently published by The Annenberg Public Policy Center at the University of Pennsylvania.[9]

Only a third (34 out of 100) of the sites surveyed by CME had the link to the privacy policy in a "clear and prominent" place on the home page. According to the FTC's definition: "clear and prominent means that the link must stand out and be noticeable to the site's visitors through use, for example, of a larger font size in a different color on a contrasting background. The Commission does not consider 'clear and prominent' a link that is in small print at the bottom of the page, or a link that is indistinguishable from a number of other, adjacent links."[10]

While a majority of sites did not meet the clear and prominent requirement, a majority - 72 out of 100 sites (72%) - placed a link to their privacy policy on every page where data collection took place.

Placement of Privacy Policies

Base = Sites collecting personal information (131 sites)



Thus, CME's survey findings show that even though Web sites may have privacy policies, they are not still prominently displaying links to them on their home page. If all sites did make their privacy policy link stand out in appearance and placement, it would increase the rate of compliance with COPPA.

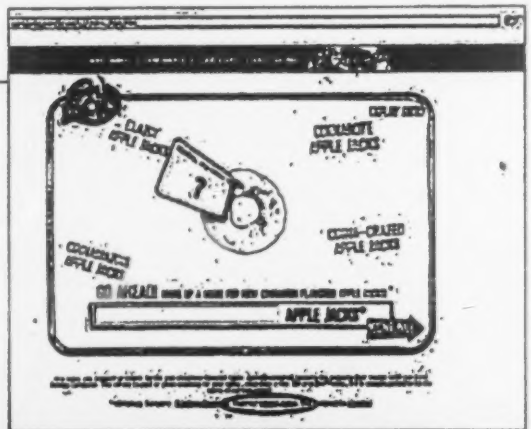
5. Children's commercial Web sites that have a link for feedback (such as e-mail) often overlook this as a data collection point.

CME found that many sites with an e-mail link for contacting the site, often labeled "E-mail us" or "Contact webmaster," do not understand that this is a data collection point. Although this qualifies as a one-time request for information, exempting Web sites from having to obtain verifiable parental consent or provide parental notification, they must post a privacy policy that is in compliance with the COPPA Rule. By posting a privacy policy, these sites can easily improve their COPPA compliance.

Not A Clear and Prominent Privacy Policy Link

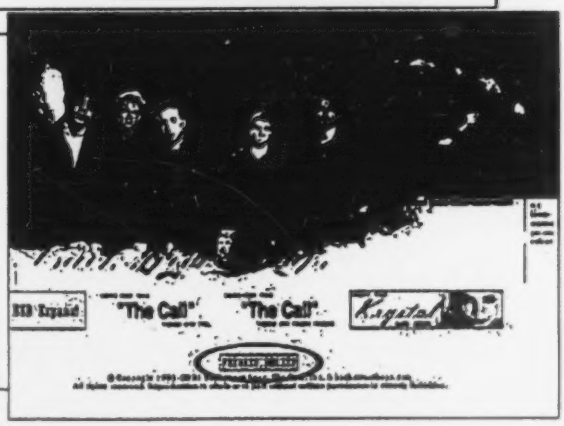
According to the FTC's definition of "clear and prominent," the placement of the privacy policy on the Apple Jacks cereal Web site (http://www.applejacks.com)[11] is not in compliance with COPPA.

For such a link to qualify for clear and prominent placement, Apple Jacks needs to differentiate this link from others. This would be accomplished if the font style or point size was different from the nearby links, and/or if the link were in a different color or was embellished with a graphic.



A Clear and Prominent Privacy Policy Link

Given the FTC's definition, the link to the privacy policy on the Backstreet Boys Web site (www.backstreetboys.com)[12] is considered as being in a clear and prominent place and presentation. This link is in a different font than the other text adjacent to it and is stylized with a color background, rendering it clear and prominent, in accordance with the COPPA Rule.[13]



6. Despite the positive changes in data collection practices that CME was able to identify, a majority of sites did not obtain prior parental consent or provide parental notice as required by the COPPA Rule.

During CME's survey, a number of Web sites did not obtain prior parental consent and/or provide parental notice when required. Sites are required to obtain parental consent prior to collecting personally identifiable information from children under 13. According to COPPA, sites can qualify for exemption from consent if they collect only an e-mail address. Sites that collect the e-mail address for the purposes of contacting a child more than once or to protect the safety of the child must provide the parent with notification after the information is obtained. Sites that collect only an e-mail address for the purposes of contacting the child on a one-time basis or for obtaining parental consent are exempt from both consent and notice.

Prior Parental Consent

While most sites did not collect information in a manner that required prior parental consent, of those that did, a majority did not obtain that consent properly. CME's survey found that 50 sites collected data in a manner requiring prior parental consent, but of those 50, only 19 complied with key provisions for obtaining parental consent.

The FTC recognizes five acceptable methods of obtaining parental consent for disclosure to third parties or made public:

1. Providing a consent form to be signed by the parent and returned to the Web site by postal mail or facsimile.
2. Requiring a parent's credit card in connection with a transaction.
3. Having a parent call a toll-free telephone number staffed by trained personnel.
4. Using a digital certificate that uses public key technology.
5. Using e-mail accompanied by a PIN or password obtained through one of the verification methods listed above.

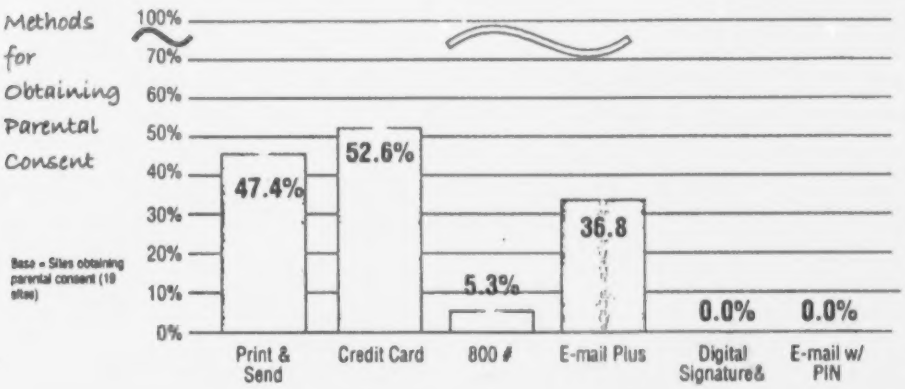
If the information is used only for internal purposes and not disclosed to the public or third parties, then those sites can use what is called the "e-mail plus" method.

- Using an e-mail coupled with additional steps to provide assurances the person providing the consent is the parent, such as: sending a confirmatory e-mail to the parent following receipt of consent; or obtaining a postal address or tele phone number from the parent and confirming the parent's consent by letter or telephone.[14]

Of the 19 sites that obtained prior parental consent, the following methods were used:

- 9 (47.4%) provided a consent form to be printed and signed by the parent and returned to the Web site by postal mail or facsimile
- 10 (52.6%) required a parent to use a credit card in connection with a transaction
- 1 (5.3%) required a parent to call a toll-free telephone number staffed by trained personnel
- 7 (36.8%) used an e-mail coupled with additional steps to provide assurances that person providing the consent is the parent, such as: sending a confirmatory e-mail to the parent following receipt of consent; or obtaining a postal address or telephone number from the parent and confirming the parent's consent by letter or telephone

The FTC's COPPA Rule anticipated that as technology would afford different formats for obtaining consent from parents, sites would employ different measures, such as digital signatures, but this survey found that digital signatures were not utilized at all.



Parental Notice

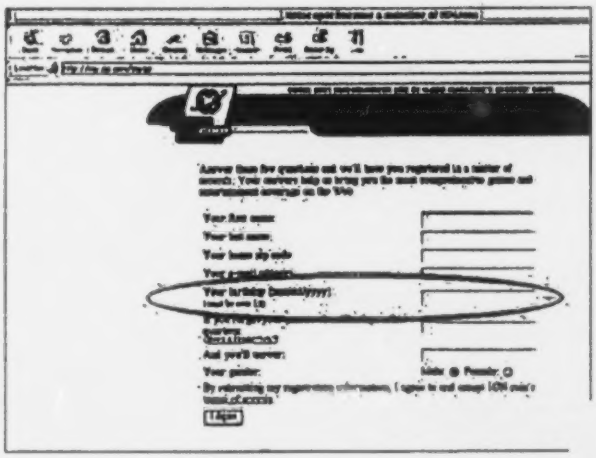
In CME's survey, 32 sites were found to collect personally identifiable information in a manner requiring parental notice, but only four sites (12.5%) sent parents the required notice.

The FTC outlines a series of requirements for parental notice. To view how the sites complied with these requirements, see Appendix II.

7. In attempting to restrict children under 13 from entering personally identifiable information, some Web sites use methods that could encourage age falsification.

During the CME survey, researchers began to observe that 25 sites attempted to restrict data collection from children under 13. CME further examined these sites and found that almost all of the sites posted a message saying children under 13 could not provide personally identifiable information. Half of these sites posted the message before or during the data collection process - a situation that, according to the FTC, could encourage users to falsify their age.[15]

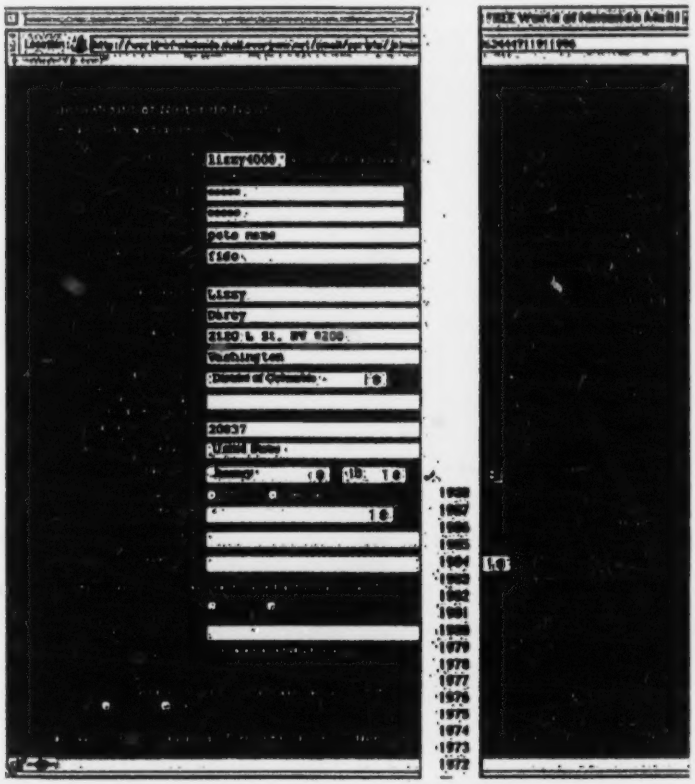
For instance, on the gaming site http://codes.ign.com when a user is prompted to enter her age on the registration page, a message in red appears directly next to the data field saying, "(must be over 13)".



BEST COPY AVAILABLE

On some sites, such as Teen.com (www.teen.com)[16] and World-of-nintendo.com (www.world-of-nintendo.com - not run by Nintendo)[17], the use of pull-down menus sometimes aided the user in falsifying age by only providing a list of birth years which would render the user older than 13 (i.e, 1960-1988.)

Teen.com also reminded the user with dialogue windows that it was necessary to be 13 or older to register to receive the site's newsletter, after the user entered an age under 13. Moreover, it allowed the user to sign up for a Teen.com e-mail account even after learning that the user was under the age of 13.



In addition, half the sites (14 of 25) allowed users to change their age during the data collection process. The FTC advises Web site operators to use technological devices such as session cookies "to prevent children from back clicking to change their age once they realize that parental consent is required to collect their information for the activity."[18] This type of cookie would create a file to note and retain the child's answer when asked for her age so that she cannot click back on the site and re-enter a different age. The cookie would then expire after the child signs off.

Ineffective Age Screening Mechanisms

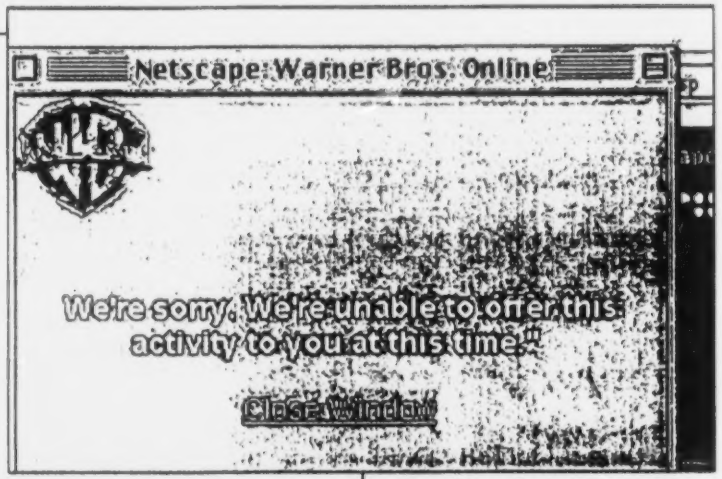
Warner Brothers' thewb.com, (www.thewb.com)[19] did not effectively prevent age falsification from children under 13 in the section that allowed children to sign up for the site's newsletter. When the researcher registered as an eleven year-old, a Java-script application dialogue window appeared saying the user must be 13 to sign up to receive the newsletter, but when the researcher clicked "ok" to close the dialogue window, the data entry form was still open in the previous window, allowing the user to simply change the age to 13, click to submit the information, and register for the newsletter.

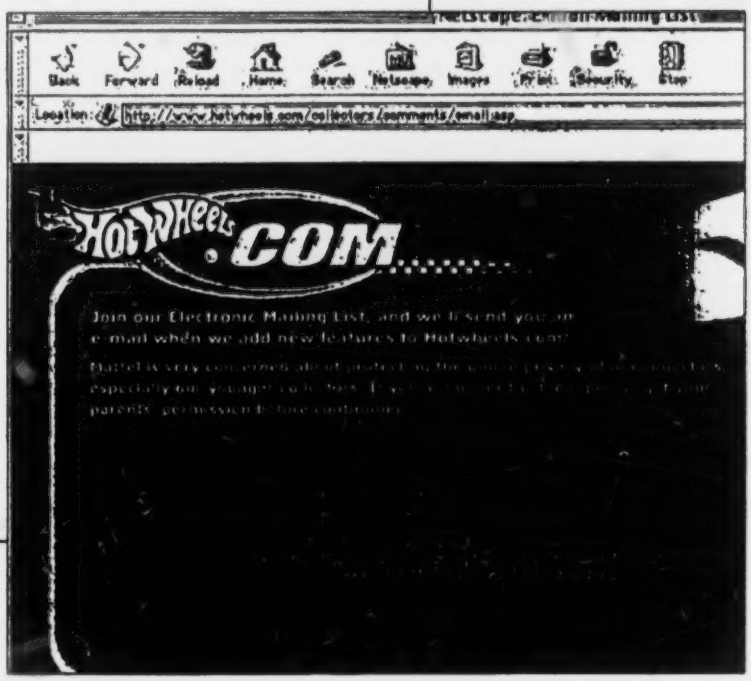
Effective Age Screening Mechanisms

Other sites that are employing practical measures to prevent age falsification during the registration process include Warnerbros.com (www.warnerbros.com)[20] and Hotwheels.com (www.hotwheels.com)[21]. On the Warnerbros.com site, when a user attempts to register for the online community and uses an age under 13, a message appears that is vague enough to discourage the user to lie about her age: "We're sorry. We're unable to offer this activity to you at this time."

The Hotwheels.com site prevents the child from changing her age to over 13. When CME's researcher attempted to join the mailing list (off the home page) and entered 11 as her age, her answer triggered a page that said: "Sorry! You must be 13 or over to receive e-mail from us!"[22]

When this window was closed and the user attempted to sign up for the mailing list again, she was immediately taken to the "sorry" page - bypassing the registration page, which prevented her from attempting to enter a new birth date.





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The results of CME's survey indicate that COPPA is having its intended effect of limiting the amount of personally identifiable information collected from children under 13. There also has been an increase in the posting of privacy policies. The large number of companies, however, that do not place their privacy policies clearly and prominently reflects either widespread misunderstanding of the FTC rules or an unwillingness to abide by them. Moreover, the failure by a significant proportion of companies to obtain parental consent, along with the ways in which some Web sites encourage children to misrepresent their age, indicates that the law is not being implemented effectively across the board. Clearly, more should be done to educate the industry and to enforce the new law for protecting privacy in the children's online marketplace.

[1] Federal Trade Commission, Privacy Online: A Report to Congress (Washington, DC: author, June 1998) 2.
[2] Center for Media Education, The Web of Deception (Washington, DC: author, March 1996).
[3] These sites are required to post a COPPA-compliant privacy policy.
[4] 64 Fed. Reg 59894.
[5] Center for Media Education, The Web of Deception (Washington, DC: author, March 1996).
[6] April 3, 2001.
[7] April 3, 2001.
[8] April 3, 2001.
[9] Joseph Turow, Privacy Policies on Children's Websites: Do They Play By the Rules? (Philadelphia, PA: Annenberg Public Policy Center of the University of Pennsylvania: March 2001).
[10] 64 Fed. Reg 59894.
[11] April 3, 2001.
[12] April 4, 2001.
[13] This site is used for display example only. The affiliated privacy policy lacks many of the provisions the COPPA Rule mandates.
[14] The e-mail plus consent mechanism can only be used when the information is collected for internal purposes and not provided to outside third party sources.
[15] According to the FTC, it is of utmost importance to "ask age in such a way as not to invite falsification." Further, the FTC emphasizes to Web sites: "It is very important to design your information collection in such a way that children are not encouraged to provide a false age. For example, if the log-in registration only permits the visitor to enter birth years starting with age 13, children may be encouraged to falsify their ages. In addition, telling visitors that children under 13 should not provide their information or that they must ask their parents first, may only encourage children to provide their own information." http://www.ftc.gov/privacy/coppafaqs.htm
[16] April 2, 2001.
[17] April 2, 2001.
[18] http://www.ftc.gov/privacy/coppafaqs.htm
[19] April 4, 2001.
[20] April 3, 2001.
[21] April 3, 2001.
[22] http://www.hotwheels.com/collectors/comments/email.asp April 3, 2001.

Conclusions & Recommendations

Conclusion

Since it took effect a year ago, the Children's Online Privacy Protection Act (COPPA) appears to have significantly affected many of the marketing and business practices of commercial Web sites. Furthermore, CME's survey of 153 sites noted a number of promising trends in which companies have adapted to the new rules by developing creative practices that suggest the industry is capable of adapting to the law without undermining the interactive personalized features of the Internet.

Despite these positive changes, however, CME's survey also found the industry is clearly not doing all it can to comply with the new privacy provisions and, in some cases, may be violating both the spirit and letter of the law.

In summary, CME's survey revealed:

- More sites are limiting the type and amount of personal information they are collecting as a requirement for children to use a Web site.
- More sites are posting privacy policies. However, a majority do not display them as a "clear and prominent" link.
- A majority of sites that should require parental consent before collecting a child's personal data are not doing so properly.
- In attempting to restrict children under 13 from entering personal information, some Web sites use methods that could encourage age falsification.

In a number of instances, Web sites could make a few revisions and be in compliance with the law. Enforcement and education will be the tools that signal the continued success of this important protection for children online.

Recommendations

CME's recommendations address the need for more education about the law and acceptable business practices. Overall, children's Web sites should continue to be monitored for compliance with COPPA and also for any new developments in marketing and advertising practices.

For Web Site Operators

1. Web site operators need to continue to limit the types of data collected from children. CME has noted creative ways, such as the anonymous registration model, in which some Web sites are providing children with customized content without requiring them to disclose personally identifiable information.

2. So that children can take advantage of the many rich resources offered on the Web, more Web sites should offer activities that do not require personally identifiable information for participation.

3. Web sites should carefully review their privacy policies and data collection practices. Our survey found many compliance errors that could be easily remedied. The Federal Trade Commission's (FTC) "Kidz Privacy" site (www.ftc.gov/kidzprivacy) provides COPPA Rule guidelines and a "Frequently Asked Questions" section for guidance.

4. Web sites that receive a high level of visits from children and ask for personally identifiable information (for instance, when registering with the site) need to examine their age screening practices to prevent children from falsifying their age.

For Policymakers

1. The FTC needs to monitor Web sites and take enforcement actions against those that are not complying with the COPPA Rule. In addition, the agency should conduct ongoing reviews of COPPA to ensure that any loopholes are closed.

2. The FTC provides commendable public outreach programs, such as workshops, educational materials and the "Kidz Privacy" site. However, there is more it can do to help simplify and clarify COPPA compliance provisions. For example, a comprehensive guide for the COPPA Rule, including a checklist of what information privacy policies should contain, would help Web operators determine more easily the specific actions they need to take.

3. The FTC should address and clarify the noncompliance shortcomings we found in our survey by providing further public education, including specific examples and official policy statements.

4. The FTC should investigate how children's privacy may be at risk due to the increasing rate of computer security violations that compromise the integrity and confidentiality of data on children. If a site's security is violated (or hacked into), the site may unwittingly disclose information once collected on child users. The FTC could explore the potential benefits of revising provisions on confidentiality, security and integrity of data in the COPPA Rule to address this concern.[1]

5. As teachers have the responsibility of acting as guardians when students go online, the Department of Education should do more to promote awareness of students' online privacy concerns and protections. At the very least, it should link from the its technology section (www.ed.gov/Technology)[2] to the FTC's "Kidz Privacy" (www.ftc.gov/kidzprivacy)[3] page.

For Future Research

1. While comprehensive, CME's study did not cover several aspects of COPPA that should be evaluated through future research:

- Restricting a site from conditioning a child's participation in an activity based on the child disclosing "more personally identifiable information than is reasonably necessary."
- Establishing and maintaining confidentiality and security of personal data.
- Monitoring chat rooms for COPPA compliance.
- Examining methods for parents to access and review the personal data collected from a child and refuse to permit its further use or maintenance.[4]

2. A number of organizations have developed public education materials (CME's www.KidsPrivacy.org[5] and the FTC's www.ftc.gov/kidzprivacy[6], among others). A review of available resources could determine what additional materials would help increase public awareness of COPPA.

3. New studies should examine how parents and teachers, the ones with the most responsibility for guiding children online, understand and interact with COPPA provisions, such as privacy notices and consent forms. This could guide the development of additional public education materials.

4. Further areas for children's online privacy research also include:
   - Examining how children's Web sites use cookies, Web bugs or other methods to passively gather data about users and their interactions with sites.
   - Looking at how affiliated partners or third parties, such as advertisers, gain information about children through cookies, Web bugs, polls or other methods.
   - Assessing COPPA's impact in Web site chat rooms.
   - Evaluating Web sites' methods of providing parents access to the personal data collected from a child and the ability to review it and have it deleted.
   - Evaluating how COPPA affects bankruptcy proceedings for Web sites and online services, since the databases of information they have gathered from users are a significant asset that could be sold, in contradiction with previous agreements. The proposed sale of Toysmart.com's customer databases during the site's bankruptcy proceedings highlights this controversy.[7]

[1] Georgetown University Law School's Institute for Public Representation, "Analysis of COPPA Confidentiality Regulations vis-a-vis Computer Security," memo to author, 29 March 2001.
[2] April 9, 2001.
[3] April 9, 2001.
[4] CME did look at privacy policies to see if they provided parental review methods, but did not test them. (See Appendix II: Results.)
[5] April 12, 2001.
[6] April 12, 2001
[7] "Toysmart.com Withdraws List of Customer Data From Auction," Wall Street Journal Interactive 27 July 2000. http://interactive.wsj.com/archive/retrieve.cgi?id=SB964671604737356101.djm [2001, April 16].

Appendix I: Methodology

The Center for Media Education (CME) conducted a systematic examination of a sample of commercial Web sites that are directed at children under the age of 13. Data collection was conducted between February 26 and March 16, 2001, using a standard survey questionnaire.

The questionnaire served two purposes:

1. To examine current data collection practices for comparison with previous findings
2. To examine and assess the current status of compliance with the Children's Online Privacy Protection Act (COPPA)

Sample Selections

An initial sample of 251 sites was created by combining Media Metrix's December 2000 list of the top 45 kids sites with the children's Web sites sample used by the Federal Trade Commission (FTC) in its June 1998 study, "Privacy Online: A Report to Congress."[1] Sites which were no longer functioning, not of a commercial nature, or not directed, in part or in whole, to children under the age of 13 were eliminated from the final sample.

A site was determined to be directed to children if it contained one or more of the following elements:

- language directed to children,
- graphics directed to children,
- content directed to children (e.g., topics, activities, contests, pen pals, chat rooms, posting winner's home page or art work), and/or
- collected information from children.[2]

The final sample included 153 commercial Web sites directed at children under the age of 13. (See Appendix for a complete list of the sites.)

Data Collection

Data collection was conducted by three CME staff members. Before data collection began, all three individuals familiarized themselves with the Children's Online Privacy Protection Act of 1998, the corresponding 1999 Rule issued by the FTC, and educational materials provided on the FTC Web site.

In addition, a series of pre-test surveys were conducted to ensure the testers had a working knowledge of the survey instrument and corresponding questions.[3]

Survey Criteria

To assess current data collection practices in comparison with previous practices, three questions were duplicated from the FTC's 1998 study, "Privacy Online: A Report to Congress." These questions included:

- "Does the site collect any personally identifiable information,"
- "If yes, which of the following [data] does the site collect," and
- "Is a Privacy Policy Notice posted on this site?"[4]

Personally identifiable information was defined as "individually identifiable information about an individual collected online, including:

(a) a first and last name;

(b) a home or other physical address including street name and name of a city or town;

(c) an e-mail address or other online contact information, including but not limited to an instant messaging user identifier, or a screen name that reveals an individual's e-mail address;

(d) a telephone number;

(e) a Social Security number;

(f) a persistent identifier, such as a customer number held in a cookie or a processor serial number, where such identifier is associated with individually identifiable information; or a combination of a last name or photograph of the individual with other information such that the combination permits physical or online contacting; or

(g) information concerning the child or the parents of that child that the operator collects online from the child and combines with an identifier described in this paragraph."[5]

A Privacy Policy Notice was defined as "a comprehensive description of the site's information practices—what the site does with the personally identifiable information it collects from visitors to the sites. It is located in one place and may be reached by clicking on an icon or hyperlink."[6]

Site Assessments

To assess the current state of COPPA compliance, all sites which were found to collect personally identifiable information from children under the age of 13 were put through a series of questions regarding prior parental consent, parental notice, and their privacy policy.

Each site's data collection point was classified according to COPPA regulations regarding whether or not it required prior parental consent, parental notice following data collection, or neither. If a site contained more than one data collection point, each instance was classified and examined.

Sites that were found to collect data in a manner requiring prior parental consent were examined to see if prior consent was obtained, and by what method this consent was received.[7]

Sites that were found to collect data in a manner requiring parental notice after data collection were examined to see if parental notice was provided, and whether the notice contained the required information outlined in the FTC's 1999 COPPA Rule.[8]

All Web sites collecting personally identifiable information were examined to see:

- if a privacy policy notice was provided on the site,
- if it appeared in a clear and prominent place on the site's main page and at every data collection point, and
- whether the notice contained the required information outlined in the FTC's 1999 COPPA Rule.[9]

While examining a Web site, testers were instructed to refrain from following links to outside Web sites (i.e. sites with a different URL address and a different appearance).

In addition, sections of the Web site that were denoted as being directed to parents/adults or sections of the Web site that were directed to e-commerce were not examined. Sites that were primarily or strictly e-commerce sites were coded as not directed to children under the age of 13.

Secondary Survey

During the data collection period, researchers began to observe a trend not included in the initial survey:

- 25 sites were found to be attempting to prevent children under the age of 13 from entering personal data on the site.

To determine if these 25 sites were effectively restricting children under the age of 13 from entering data, a secondary survey was conducted. This supplemental questionnaire examined:

- whether or not the site posted a message informing users under the age of 13 that they could not provide information;
- where and when such a message appeared;
- whether or not a user could complete the data collection process using a birth date or age under 13; and
- whether or not a user could alter this information to a valid age to complete the data collection process.

Compilation of Survey Data

The survey data was entered into computer database and processed by a postdoctoral fellow using the SPSS statistical program.

[1] For more information on how the FTC selected its sample, see: Federal Trade Commission, Privacy Online: A Report to Congress (Washington DC: author, June 1998) Appendix A, 3-5.
[2] "Instructions—Children's Survey Form," in Federal Trade Commission, Privacy Online: A Report to Congress (Washington DC: author, June 1998) Appendix B, 6.
[3] During a pre-test training period, the three testers conducted two rounds of training: first, they sat down together at the same computer and examined two children's Web sites not contained in the formal sample; second, they separately examined a pre-test sample of ten children's Web sites (each of the 3 testers examined the same ten sites). The results of this pre-test were compared to see where the testers agreed and disagreed on their examination of the ten sites. Disagreements were resolved and the formal data collection process began.
[4] Questions 1 - 18 from "Children's Web Site Survey Form," in Federal Trade Commission, Privacy Online: A Report to Congress (Washington DC: author, June 1998) 2.
[5] Children's Online Privacy Protection Rule, Section 312.2
[6] "Key Terms," in Federal Trade Commission, Privacy Online: A Report to Congress (Washington DC: author, June 1998) Appendix B, 1.
[7] Children's Online Privacy Protection Rule, Section 312.5
[8] Children's Online Privacy Protection Rule, Section 312.4 (c) (1)
[9] Children's Online Privacy Protection Rule, Section 312.4

Appendix II: Results

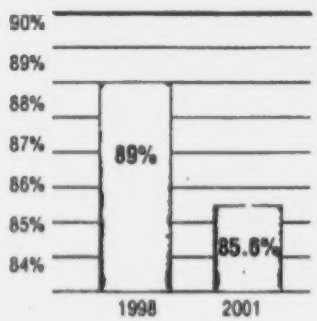
Data Collection - 1998 and 2001

The current study reviewed 153 commercial kids sites and found 131 (85.6 %) collected some form of personal data from children under the age of 13. This is a slight decrease from the FTC's 1998 results, which found 89% of kids sites collected personally identifiable information.

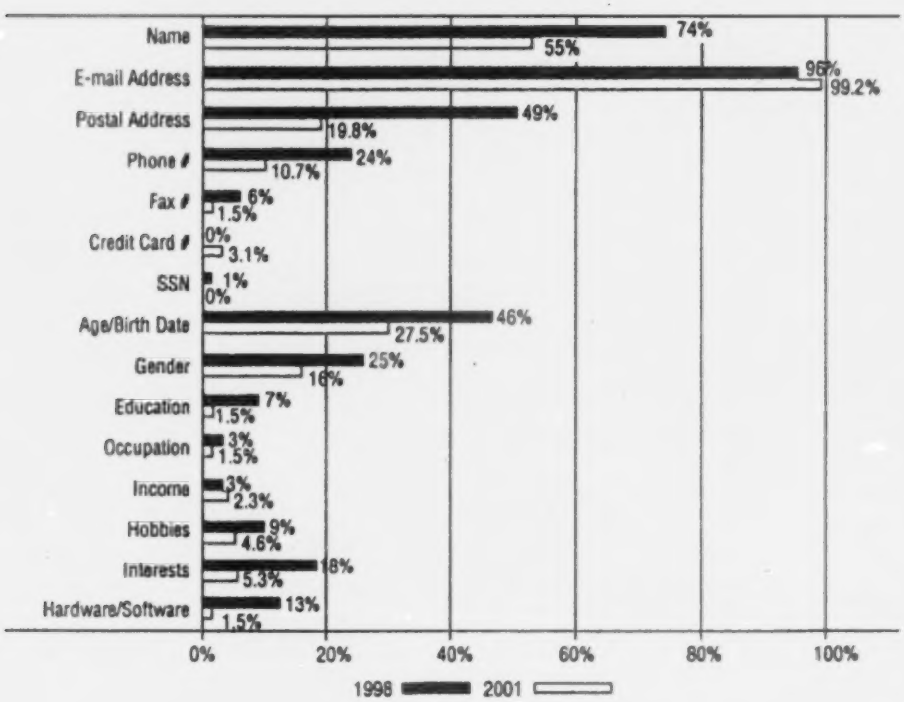
The type and amount of information collected has also changed since 1998.

- A decrease in the amount of information collected in all but two data categories
- A slight increase in the number of sites collecting:
  - an e-mail address, from 96% in 1998 to 99.2% in 2001, and
  - a credit card number, from 0% in 1998 to 3.1% in 2001
- A substantial decrease in the number of sites collecting a postal address, from 49% in 1998 to 19.8% in 2001.

Percent of Web Sites Collecting Personal Information from Children



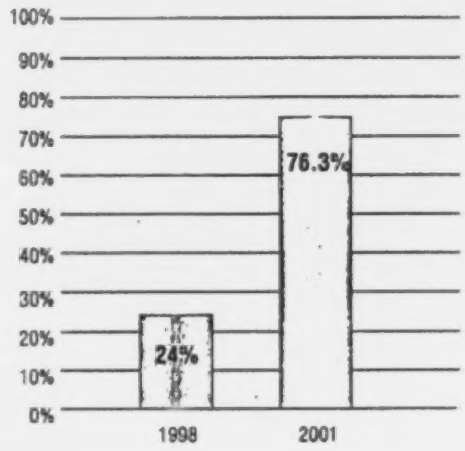
Types of Personal Information Collected from Children



Privacy Policies - 1998 and 2001

131 sites currently collect personally identifiable information from children, with 100 (76.3%) posting a privacy policy notice. This is a substantial increase from 1998, when the FTC found that 24% of children's sites collecting data posted a privacy policy.

Of those Web Sites that Collect Personally Identifiable Information from Children: Percent with a Privacy Policy Notice



COPPA Compliance

131 sites were found to collect personally identifiable information from users under the age of 13, a qualification for COPPA.

The sites were divided into three COPPA requirement classifications:

1. Sites required to obtained parental consent prior to data collection
2. Sites required to notify parents of data collection after the fact
3. Sites that are exempt from parental consent or notice

All sites collecting data from children under 13 are required to post a COPPA compliance privacy policy.

Findings:

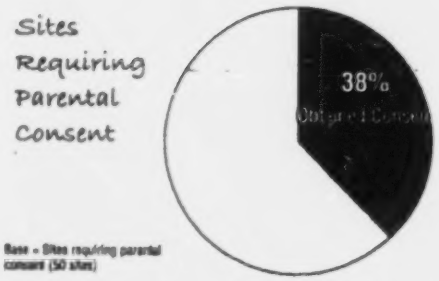
- 50 sites collected personally identifiable information in a manner requiring prior parental consent
- 32 sites collected personally identifiable information in a manner requiring parental notice
- 121 sites collected personally identifiable information in a manner that was exempt from parental consent or notice

Note: A number of sites collected data in more than one manner and qualified for more than one COPPA requirement classification.

Parental Consent Findings

50 sites collected data in manner requiring prior parental consent:

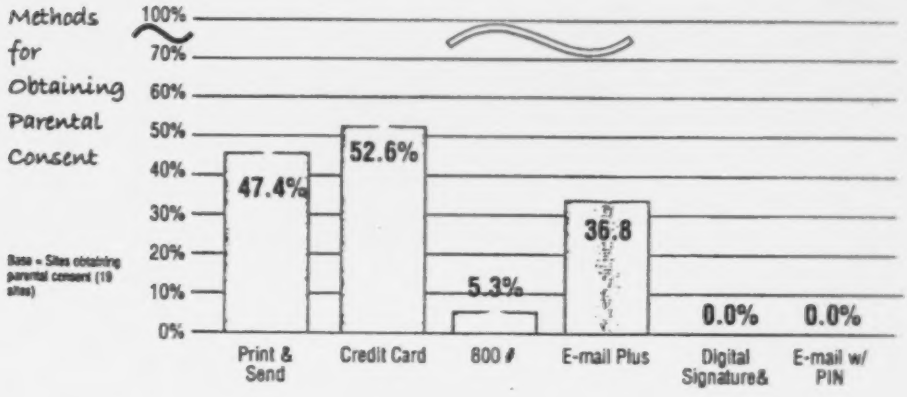
- 19 (38%) obtained prior parental consent



The 19 sites that obtained prior parental consent used the following methods:

- 9 (47.4%) provided a consent form to be printed and signed by the parent and returned to the Web site by postal mail or facsimile
- 10 (52.6%) required a parent to use a credit card in connection with a transaction
- 1 (5.3%) required a parent to call a toll-free telephone number staffed by trained personnel
- 7 (36.8%) used an e-mail coupled with additional steps to provide assurances that the person providing the consent is the parent, i.e. sending a confirmatory e-mail to the parent following receipt of consent, obtaining a postal address or telephone number from the parent and confirming the parent's consent by letter or telephone
- 0 (0%) used a digital certificate utilizing public key technology
- 0 (0%) used e-mail accompanied by a PIN or password obtained through one of the verification methods listed above

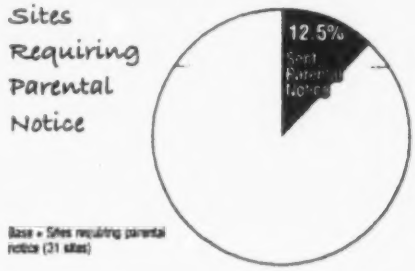
Note: A number of sites offered multiple methods for obtaining consent.



Parental Notice Findings

31 sites collected data in a manner requiring parental notice:

- 4 (12.5%) sent a parental notice



Pursuant to the COPPA Rule, sites sending a notice of data collection to a parent are required to include a series of statements in the said notice. Of the 4 sites sending a notice, the following information was included:

	(Base = 4)
The notice stated that the Web site wished to collect personally identifiable information from the child	75%
The notice provided contact information for the operator(s) of the Web site	75%
The notice stated the types of personally identifiable information collected from children	75%
The notice stated how such personally identifiable information is or may be used by the Web site	75%
The notice stated that the Web site is prohibited from conditioning a child's participation in an activity based on the child's disclosing more personally identifiable information than is reasonably necessary to participate in such activity	50%
The notice stated that the parent can review the child's personally identifiable information, have it deleted and refuse to permit further collection or use of the child's information, and stated the procedures for doing so	75%
The notice stated that the Web site has collected the child's e-mail address or other online contact information to: 1) respond to the child's request for information and that the requested information will require more than one contact with the child; or 2) protect the safety of the child participating on the Web site	25%
The notice stated that the parent may refuse to permit further contact with the child and request the deletion of the information, and stated how the parent can do that	25%
The notice stated that if the parent failed to respond to the notice, the Web site could use the information for the purpose(s) stated in the notice	50%
The notice stated whether the Web site provides the personally identifiable information to a third party	50%

Sites providing personally identifiable information to third parties are required to provide additional information in their parental notice.

Only 1 site stated that it provided personally identifiable information to a third party. At this one site, the following additional information was provided in the parental notice:

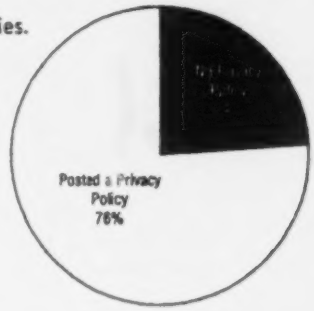
	(Base = 1)
The policy stated the types of business in which such third parties are engaged	100%
The policy stated whether those third parties have agreed to maintain the confidentiality, security, and integrity of the personally identifiable information obtained from the Web site	100%
The policy stated that the parent has the option to consent to the collection and use of their child's personally identifiable information without consenting to the disclosure of the information to third parties	100%

Exempt Findings

121 sites collected data in a manner that did not require prior consent or parental notice, yet required a privacy policy.

- 92 of these 121 sites (76%) posted privacy policies.

Sites Exempt from Consent and Notice



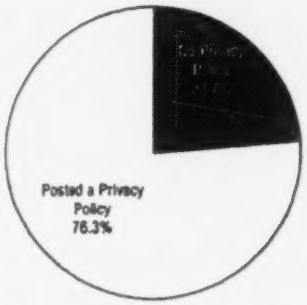
Base = Exempt Sites (121 sites)

Privacy Policy Findings

131 sites were found to collect data from children under the age of 13. Under COPPA, all sites collecting personally identifiable information from children are required to post a privacy policy.

- 100 out of 131 sites (76.3%) posted a privacy policy.

Sites Collecting Personally Identifiable Information from Children Under the Age of 13

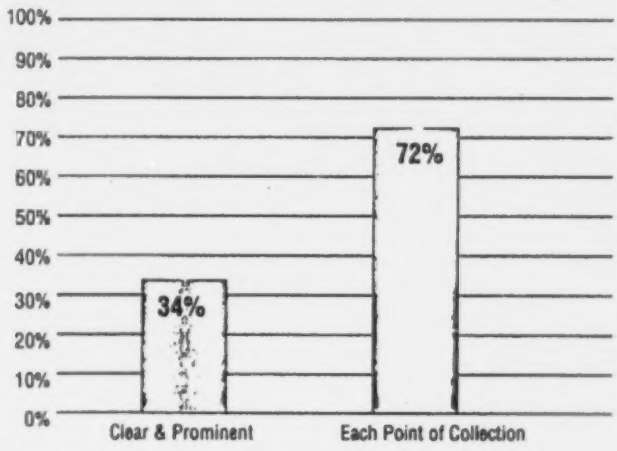


Base = Sites collecting personally identifiable information (131 sites)

- 34 out of 100 sites (34%) placed a link to their privacy policy in a "clear and prominent" place on their home page.
- 72 out of 100 sites (72%) placed a link to their privacy policy on every page where data collection took place.

Placement of Privacy Policies

Base = Sites collecting personal information (131 sites)



Pursuant to the COPPA Rule, sites are required to include a series of statements in their privacy policies.

100 sites posted a privacy policy, with the following information included:

	(Base = 100)
The policy provided contact information for the operator(s) collecting or maintaining personally identifiable information from children through the Web site	71%
The policy stated the types of personally identifiable information collected from children	85%
The policy stated how such personally identifiable information is or may be used by the Web site	92%
The policy stated that the Web site is prohibited from conditioning a child's participation in an activity based on the child's disclosing more personally identifiable information than is reasonably necessary to participate in such activity	44%
The policy stated that the parent can review the child's personally identifiable information, have it deleted and refuse to permit further collection or use of the child's information, and stated the procedures for doing so	61%
The policy stated whether or not the Web site provides the personally identifiable information to a third party	85%

Sites providing personally identifiable information to third parties are required to provide additional information in their privacy policy.

30 sites stated that they provided personally identifiable information to a third party. These 30 sites provided the following additional information in their privacy policy:

	(Base = 30)
The policy stated the types of business in which such third parties are engaged	53.3%
The policy stated whether those third parties have agreed to maintain the confidentiality, security, and integrity of the personally identifiable information obtained from the Web site	40%
The policy stated that the parent has the option to consent to the collection and use of their child's personally identifiable information without consenting to the disclosure of the information to third parties	50%

Sites Attempting to Restrict Under 13 Users

During the data collection process, researchers began to observe a tendancy not included in the initial survey:

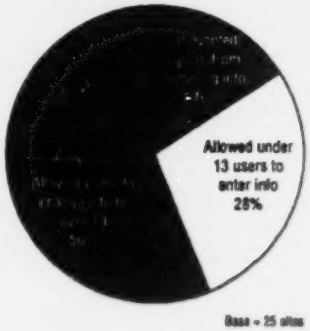
- 25 sites were found to attempt to prevent children under the age of 13 from entering personal data on the site.

To determine if the 25 sites were effectively restricting children under the age of 13 from entering data, a secondary survey was conducted.

Secondary survey findings of these 25 sites:

- 21 (84%) asked the user their age
- 22 (88%) posted a message informing users under the age of 13 that they could not provide personally identifiable information, or that users must be 13 or older to provide personally identifiable information
- 7 (28%) allowed users to complete the data collection process using an under 13 birth date or age, or by not asking the user their age
- 14 sites (56%) allowed users to change their birth date or age from an "under 13" response to an "over 13" response and complete the data collection process during the same session
- 4 sites (16%) prevented users from entering data as an under 13 or an altered over 13 user

Sites Attempting to Restrict Under 13 Users from Entering Personal Data



Of the 22 sites that posted a message informing under 13 users not to provide personally identifiable information:

- 11 (50%) posted the "under 13" message before the user attempted to enter personally identifiable information
- 11 (50%) posted the message after data collection was attempted
- 18 sites (81.8%) asked the user their age
- 3 (13.6%) encouraged users to return after their 13th birthday

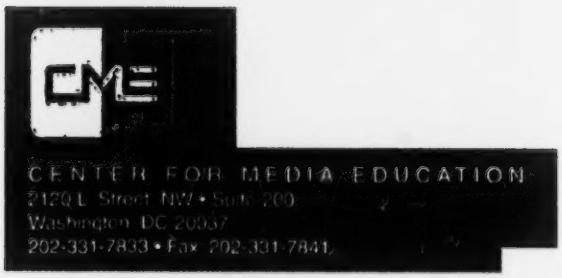
Of the 21 sites that asked users their age:

- 7 (28%) provided users with pull down menus for providing their age or birth data
- 2 of these 7 sites (28.6%) utilized pull down menus that provided users with only valid 13 or over ages or birth years

Appendix III: COPPA Compliance Survey Sample

COPPA Compliance Survey Sample

1. cardinals.mlb.com
2. codes.ign.com
3. giants.mlb.com
4. happypuppy.com
5. horsefun.com
6. kids-world.colgatepalmolive.com
7. soccerpatch.com
8. syndicate.com
9. www.4adventure.com
10. www.4kidz.com
11. www.acekids.com
12. www.activision.com
13. www.adventureonline.com
14. www.agirlsworld.com
15. www.americangirl.com
16. www.anya.com
17. www.apadventures.com
18. www.applejacks.com
19. www.askjeeves.com
20. www.backstreetboys.com
21. www.barbie.com
22. www.beaniebabies.com
23. www.bennygoodsport.com
24. www.bigidea.com
25. www.bigtop.com
26. www.birminghamzoo.com
27. www.bonnebell.com
28. www.bonus.com
29. www.candlelightstories.com
30. www.candystand.com
31. www.cartoonnetwork.com
32. www.celebritysightings.alloy.com
33. www.chem4kids.com
34. www.chuckecheese.com
35. www.claus.com
36. www.codybj.com
37. www.comicspage.com
38. www.crayola.com
39. www.davisfarmland.com
40. www.dckids.com
41. www.deere.com
42. www.disney.com
43. www.divastarz.com
44. www.dltk-kids.com
45. www.dole5aday.com
46. www.earthdog.com
47. www.eat.com
48. www.edbydesign.com
49. www.eduplace.com
50. www.elijahwood.com
51. www.encarta.msn.com
52. www.enchantedlearning.com
53. www.foxkids.com
54. www.funbrain.com
55. www.funschool.com
56. www.funster.com
57. www.galoob.com
58. www.ghostplanet.com
59. www.girltech.com
60. www.girlzone.com
61. www.granthill.com
62. www.grolier.com
63. www.gtbicycles.com
64. www.gurl.com
65. www.gurlmail.com
66. www.hansonline.com
67. www.hasbro.com
68. www.highrocks.com
69. www.homongous.com
70. www.hotwheels.com
71. www.jamz.com
72. www.jayjay.com
73. www.jumbo.com
74. www.kbkids.com
75. www.kcroyals.com
76. www.kelloggs.com
77. www.kidscom.com
78. www.kidsdomain.com
79. www.kidswb.com
80. www.klutz.com
81. www.leapfrog.com
82. www.lego.com
83. www.littlefingers.com
84. www.lost-world.com
85. www.lpga.com
86. www.mamamedia.com
87. www.marvelcom.com
88. www.matchbox.com
89. www.mcdonalds.com
90. www.mlb.com
91. www.mootown.com
92. www.nabiscokids.com
93. www.nick.com
94. www.nickjr.com
95. www.ninjaturtles.com
96. www.nintendo.com
97. www.nonstick.com
98. www.noodlehead.com
99. www.northpole.com
100. www.period.com
101. www.pirateball.com
102. www.planetzoom.com
103. www.playsite.com
104. www.playstation.com
105. www.pokemon.com
106. www.pokemonpuzzlechallenge.com
107. www.popsicle.com
108. www.powerrangersturbo.com
109. www.puzzlemaker.com
110. www.quartermidgets.com
111. www.raiders4kids.com
112. www.realkids.com
113. www.runoia.com
114. www.santaland.com
115. www.scholastic.com
116. www.scienceacademy.com
117. www.scifi.com
118. www.searsportrait.com
119. www.sega.com
120. www.seventeen.com
121. www.sikids.com
122. www.soleil.com
123. www.spacecamp.com
124. www.spaceday.com
125. www.spe.sony.com
126. www.storycraft.com
127. www.teen.com
128. www.teilhard.com
129. www.terraquest.com
130. www.themoffatts.com
131. www.theWB.com
132. www.tonys.com
133. www.toontalk.com
134. www.toymania.com
135. www.troll.com
136. www.twinkies.com
137. www.underwaterworld.com
138. www.unitedmedia.com
139. www.warnerbros.com
140. www.webtimestories.com
141. www.wildamerica.warnerbros.com
142. www.world-of-nintendo.com
143. www.worldvillage.com/kids
144. www.wwwishbone.com
145. www.wyoming.com
146. www.yahooligans.com
147. www.yakscorner.com
148. www.yam.regulus.com
149. www.yellowstone-nati-park.com
150. www.younginvestor.com
151. www.youruleschool.com
152. www.zdnet.com/gamespot
153. yankees.mlb.com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